

SCA Resilience Framework - Frequently Asked Questions

Overall Category 1 – General

#	Question	Answer
1	What is SCA?	Strong Customer Authentication (SCA) is a new set of rules that will change how consumers confirm their identity when making purchases online. The next time a customer shops or banks online, they may need to undertake an extra step to confirm it is really them. This could mean a bank or provider using several ways to verify a purchase or login for example, a passcode via text message, a card reader or using your banking app on your smartphone. SCA is being introduced to help further reduce fraud. With an increasing number of purchases being made online, these new rules will provide the extra protections necessary to ensure that customers are safe when purchasing online and their money is better protected.
2	What is the Resilience Framework?	<p>Under PSD2, there is a legal requirement on Payment Service providers (PSPs) to apply SCA in the scenarios defined in Article 97(1), PSD2. For e-commerce card transactions, the common industry practice to facilitate SCA is 3DSecure (3DS). The regulation facilitates the use of certain SCA exemptions and the establishment of certain out of scope transactions when SCA may not be needed, but when those do not apply, SCA is required.</p> <p>The Resilience Framework is a new authorisation indicator that could be used under a certain set of circumstances, alerting PSPs to a merchant problem in accessing the 3DS service.</p>
3	Under what circumstances can the resilience flag be used?	<p>UK Finance has identified three scenarios in which issuers would not be able to apply SCA in respect of e-commerce card transactions and for which a resilience framework is recommended to minimise negative customer outcomes, i.e. where:</p> <p>a) the merchant (or their PSP) cannot access the 3DS service due to a 'merchant problem' (e.g. because there is a gateway failure or a network issue); or</p> <p>b) the merchant (or their PSP) cannot access the 3DS service due to a 'major outage' (e.g. because a card scheme is unable to support authentication of e-commerce card transactions).</p> <p>'The resilience indicator may be used for a) and b) above, but may not be used when the Access Control Server (ACS) is unavailable as resilience in this case is addressed through scheme stand-in.'</p>
4	Where can I find further information on the Resilience Framework?	You can find further information in the UK Finance Guidance on Strong Customer Authentication here .
5	Is the Resilience Framework an SCA exemption?	No. However, the resilience framework is designed for use in extraordinary circumstances after merchants and gateways have exhausted all other options prescribed by the RTS to comply with the SCA requirements. Issuers may still decline the transaction but they have the possibility to understand why SCA is not available.
6	When will the solution be made available?	Card schemes have published rules on the use of the resilience indicator and the development of solutions is well underway. If you are a UK merchant, please speak to your PSP – otherwise referred to as the gateway or acquirer – to find out more.
7	Will the solution be made available in other SCA jurisdictions?	The resilience indicator is available at scheme level, however support and usage may be determined at individual (issuer/acquirer)/market level. PSPs operating in other jurisdictions can seek clarity from their National Competent Authorities (NCAs).
8	Who do we contact if we need more information?	Acquirers and issuers should contact their scheme representative or customer support team for further guidance. Gateways should contact acquirers and merchants should contact their acquirer and gateway(s) where appropriate.

9	Do scheme mandates support the utilisation of the new indicator?	Scheme guidance on the resilience indicator was published at the end of 2020.
10	Can the resilience indicator be used on any version of 3DS?	The resilience indicator is used when 3DS cannot be reached (any version), however merchants should exhaust all options before the resilience indicator is set in a transaction.
11	Can 3DS v1 be used as a fallback if 3DS v2 is unavailable?	Yes, if it is available and vice versa, this use of another 3DS version should be used as a first option before the resilience indicator is used.
12	Can the resilience indicator be used to set up recurring payments?	Under no circumstance should the resilience indicator be used to set up recurring payments, add a card on file or set up future Merchant Initiated Transactions (MITs). SCA must be performed in those situations.
13	Will all acquirers support this new indicator?	While the regime is not mandated by the schemes, it is recommended that acquirers support the indicator. Merchants can seek further advice from acquirers and gateways on how to use the indicator.
14	Are there any assurances that the indicator will only be used when necessary?	Usage of the resilience indicator will be monitored by the merchant's acquirer. Misuse of the indicator, as per guidelines issued by the schemes, may result in intervention by the acquirer potentially leading to the withdrawal of the merchant's ability to use the indicator. Market misuse of this feature could erode issuer confidence, and consequently reduce acceptance. Please seek further guidance from your acquirer.
15	Who can detect 3DS failure issues?	Merchants and gateways can detect 3DS failure problems, to then provide information to the acquirer to request that the indicator is set in the authorisation message. Acquirers should refer to scheme guidelines when deciding the types of criteria to apply to support the indicator in the authorisation request message.
16	Will certification be required for use of the new indicator?	Yes. There are build and certification requirements. Gateways are required to pass accreditation. Given the timing of these new rules, merchants are encouraged to speak to their PSPs at the earliest opportunity to receive testing and certification commitment dates as soon as possible.
17	What do merchants do if they get a soft decline on a transaction where the resilience indicator was used?	Issuers are mindful of sending soft declines, particularly when a transaction is accompanied by the indicator. However, where issuers have considered the risk of a given transaction and are unable to authorise without authentication, the transaction is likely to be declined. Once an issuer has responded with SCA decline, it is required that the transaction is routed through 3DS with the 'mandatory challenge indicator set. A merchant must not request an exemption following a SCA decline response from the issuer.
18	Can gateways use the indicator across specific acquirers or merchants?	The resilience framework is designed for use in extraordinary circumstances after merchants and gateways have exhausted all other options prescribed by the RTS to comply with the SCA requirements. In addition, merchants and gateways must be mindful that acquirers may have specific rules on how the indicator is applied and that usage is within limits. Gateways must check with each acquirer they are connected to, whether they can use this indicator.
19	Do successive timeouts classify as outage, e.g. transaction timeout, read timeout?	Schemes have published specific guidance on when the resilience indicator may be used by acquirers. Contact your acquirer for details of their requirements when using the indicator.
20	Can the resilience framework be used for Interactive Voice Response (IVR) protocol?	Transactions performed over IVR over the phone are considered MOTO and are out of scope of SCA and therefore the resilience indicator is not needed. Note that IVR over the internet is considered as e-commerce and in this case SCA is required. In those cases, if it cannot be performed due to an outage where the resilience indicator can be used, it can be used.

21	If the ACS is down, can merchants continue with scheme stand in?	Where scheme stand-in occurs and an attempts response (ECI01/06) is returned, the merchant may send a transaction for approval with liability shift, as is the case today. The resilience indicator is not needed and must not be used in those cases. Issuers should use their risk-based decisioning to assess the transaction and not be constrained by their Issue TRA levels when deciding to approve/decline the transaction
22	Who can set this resilience flag?	Gateways or merchants can set this flag under the conditions agreed with their acquirer(s). Merchants should be mindful that gateways and/or acquirers may have additional controls or restrictions. Please check with your gateway (or PSP) and acquirer(s) to find out more.
23	Why is the resilience indicator not mandated?	<p>The schemes require issuers to have the ability to manage the resilience 'flag' upon receiving it in an authorisation request. However, issuers are not obliged to approve the transaction and are recommended to use their risk-based decisioning to determine the final authorisation outcome.</p> <p>Both acquirers and issuers need to consider regulatory requirements and resilience imperatives before deciding to use this indicator. While transactions containing the indicator do not represent transactions that can be considered exempt or out of scope of the SCA regulation, the presence of the indicator enables the issuer to understand that this is a transaction where an authentication was expected but could not be performed due to an outage. This provides issuers with the ability to evidence, to a regulator, why they may have decided to authorise an in-scope transaction without authentication, on an exceptional basis, to support resilience.</p>
24	Can we have a better definition on acceptable partial outage scenarios?	<p>There should be persistent failure causing significant and repeated detriment to customer experience before a merchant/gateway uses the resilience indicator to submit a transaction for authorisation. It is recommended that the merchant has attempted to retry SCA at least five times before opting to use the resilience indicator. Every merchant must agree, with their acquirer, the terms of use before they use this indicator.</p> <p>Merchants should regularly continue to re-establish connection during the time the resilience framework is invoked. When a reliable connection is established and normal service has been restored, merchants should stop using the resilience indicator and resume the 3DS route as soon as the connection is re-established.</p>
25	Will the schemes publish data demonstrating fraud levels where resilience flag is used?	Reporting requirements under the RTS on SCA rest with the PSPs. The reporting requirements are regulatory and are not made public unless individual firms choose to do so.
26	What steps do the schemes intend to make to extend usage across EEA region?	<p>Receiving this field is mandated for issuers in EEA and UK, however, acting on this indicator is optional for issuers. Both acquirers and issuers need to consider regulatory requirements of their local NCA and resilience imperatives before deciding to use this indicator.</p> <p>Schemes continue to discuss this topic with local NCAs to encourage broader adoption.</p>
27	Is the expectation that the resilience flag is used with new deferred authorisation flag?	No, they are two different indicators for different use cases.